

ODP # 9-825

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23 MAY 1979

MEMORANDUM FOR: Executive Committee Members

FROM: Deputy Director of Central Intelligence

SUBJECT: Fiscal Year 1979 Review of Automatic Data Processing (ADP) Projects (U)

REFERENCE: Memo to EAG Members from DDCI, dtd. 26 July 1978,
Subject: Management of Automatic Data Processing Resources

1. The purpose of this memorandum is to record Executive Committee decisions made in the review of major ADP projects and to discuss the manner in which we will review Agency ADP resource requirements. With regard to the latter, the Executive Committee will shift its focus from a narrow review of current year ADP resource consumption to a broader involvement in both current year and longer range planning and tracking issues. With Committee Staff and component support, this change should require less of the members' time on ADP topics. (U)

2. All Fiscal Year 1979 ADP projects reviewed by the Executive Committee and currently budgeted are approved at the resource level requested. Unfunded projects are approved subject to Comptroller approval of reprogramming or funding requests. (U)

3. Procedures for monitoring current year ADP costs and reviewing changes in requirements will be the same as in previous years. The Office of Data Processing (ODP) will monitor all costs incurred for projects supported in ODP and will concurrently notify the user office and the Comptroller when project-incurred costs reach 75 percent of the approved level. User offices will be responsible for validating project requirements for the remainder of the fiscal year. If costs are projected to exceed the initial authorization by more than 10 percent, user offices, in coordination with ODP, will request Comptroller approval. The request will include:

- an explanation of the need for increased ODP services;
- a new projection of the cost of ODP services required for the remainder of the fiscal year; and

- a statement addressing the availability of ODP resources to provide the increased services and the impact on the user organization if the increase is not approved. (U)

4. As in the past, components will monitor all costs incurred for component-budgeted projects. If costs are projected at any point in the fiscal year to increase by more than 10 percent over the initial authorization, components will request prior Comptroller approval. (U)

5. In the event that new or expanding Fiscal Year 1979 ADP projects not previously reviewed by the Executive Committee increase to established review thresholds, prior Comptroller approval will be obtained. (U)

6. Agency policy regarding Executive Committee review and management of ADP as stated in the reference memorandum remains in effect. The manner in which the Executive Committee reviews the annual consumption of ADP resources, however, will be modified. Beginning with Fiscal Year 1980, Executive Committee review will be conducted in four areas:

a. ODP Resources. During the first quarter of each fiscal year, the Director of Data Processing will provide the Executive Committee with an assessment of the current state of ODP, the totality of current year requirements levied on ODP, its ability and capacity to satisfy them, and a review of ODP's updated Five-Year Plan in terms of projected requirements and related capital investments.

b. ADP Projects. Executive Committee review of current year ADP projects will continue to be based on "ADP Project Decision Forms," whether supported in ODP or with component-budgeted resources. Previously established review thresholds will remain unchanged (generally \$250,000 annual or cumulative costs—see reference). The Committee meeting(s) devoted to current year ADP applications will be limited to policy issues arising from members' individual review of Project Decision Forms and from staff recommendations made to the Chairman.

c. Major Capital Investments. The Executive Committee will review major ADP capital investments included in the Agency's Program Plan before it is submitted to the Resource Management Staff in June of each year. Major capital investments may represent a one-time purchase or the initiation of a project requiring multiyear implementation and resultant multiyear payments. This aspect of Executive Committee involvement will also include a review of component long-range ADP plans. The Committee Staff will summarize appropriate plans (e.g., ODP, NPIC, NFAC, DDO) and correlate them with programmed investment requirements for presentation to the Committee.

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d. Strategic Objectives. The final aspect of the Committee's review of ADP will involve a broader subject—Agencywide information handling/management. The Committee has already reviewed the plan for a formal information handling study. During conduct of the study, the Committee will track the study team's progress. When completed, the Committee will review and approve selected strategic objectives. Thereafter the Committee will track progress towards achieving these strategic objectives and review proposed changes to the objectives themselves. (U)

7. Appropriate guidance and approval memoranda will be issued to components after the Comptroller and/or Executive Committee reviews directed above. (U)

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cc: D/ODP